

MINUTES
September 6, 2001

Seattle City Employees' Retirement System
Regular Board Meeting

Thursday, September 6, 2001 - 9:30 a.m.
Seattle Metropolitan Credit Union
Conference Room – 3rd Floor

Present: Jan Drago, Dwight Dively, Norma McKinney, Jim Fletcher, and Frank Mathews.

Absent: Lou Walter and John Curtin.

Also Present: Russ Teller – ARSCE, Bill Farrell – ARSCE, Walter North – ARSCE, Barbara Guptill – ARSCE, Ken Leask – ARSCE, Edward Kidd – ARSCE, Jesse Tapp – ARSCE, Ken Hunich – ARSCE, Mel Robertson and Norm Ruggles.

Upon motion by Dwight Dively, seconded by Norma McKinney, the Retirement Board appointed Jim Fletcher to serve as Chair of the meeting in the absence of Jan Drago. (Ms. Drago arrived shortly thereafter and became Chair.)

Public Comment: Ken Hunich commented that retirees are no longer in the loop when certain City discussions occur and asked the Board to be more active in furthering the proposed COLA enhancements. Russ Teller asked if the Board can put any more pressure toward getting a resolution to the COLA enhancements now involved in the bargaining sessions. Ed Kidd said that the retirees need help and need it now. Jan Drago, Dwight Dively and Norma McKinney each commented that the required bargaining process is moving forward and could possibly be resolved in the near future.

Minutes:

Upon motion by Dwight Dively, seconded by Jim Fletcher, the Retirement Board approved the minutes from the August 2, 2001 Retirement Board meeting.

Ratification of Retired Payroll, Office Payroll, other Billings and Withdrawals:

Information: The following items represent normal expenses and nothing extraordinary.

Service	\$ 4,487,980.43
Disability	554,760.31
Beneficiary	50,742.13

Pension Payroll – August 2001	\$ 5,093,482.87
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Office Payroll - pay period ending July 31, 2001	\$ 20,573.38
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Office Payroll - pay period ending August 14, 2001	\$ 20,486.18
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Vouchers Processed - from July 24, 2001 through August 24, 2001	\$ 544,878.06 *
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* \$ 470,460.26 Expert and Consultant Services

Upon motion by Frank Mathews, seconded by Dwight Dively, the Board ratified the Retired Payroll, Office Payroll, other Billings and Withdrawals.

Immediate Withdrawal of Contributions

Member	<u>Department</u>	<u>Position</u>
Aguilar, Lawrence J.	SEATRAN	Maint Laborer
Beach,Eric W	SPU	Ecologist
Berkowitz, Neil M.	Human Services	Admin Staff Assist.
Busby,Jarod M	TES	Forest Maint worker
Chang-Su,Martina Y	Muni Court	Application Dev Manager
Dvorak,Kathleen Fay	Police	Crime Prevention
Espinoza,Roger	Seattle Center	Utility Laborer
Folkers II,Todd Jerome	SPU	Water Pipe Apprentice
Graddy,Sarah Elizabeth	Library	Library Asst
Hall,Barbara M	TES	Engineers Aide
Lagonoy,Ana Liza E	Finance	Remittance Proc.Tech
Larson,Susan M	Park	Sr. Gardner
Luu,Sujen	Light	Elect Service Engineer
Pezzullo-Rhodes,Susan M	Policy Enforcement	Civil Rights Analyst
Prather,Kelleen Leeann	SEATRAN	Gardner
Rivera,Andres O	Library	Library Asst.II
Smith,Lauralee	Library	Library Asst.II
Wenzl,Cynthia C	Police	Parking Enforcement
Willis,Janelle M	Muni Court	Admin Spec I
Wood,Carolyn Elizabeth	Light	Admin Staff Assistant
Woodrow,Helen T	Library	Coord. Associate

Ratification of Service Retirements:

Information: The following list represents the retirements that have been processed since the last Retirement Board meeting.

<u>Member</u>	<u>Retired</u>	<u>Years</u>	<u>Days</u>	<u>Department</u>	<u>Position</u>	<u>Age</u>	<u>Option</u>
Baur,Ingrid	07/05/2001	17	1	City Light	Vested/Elec Engrng Spec.,Sr.	57	C20,F
Cairns,Phyllis	07/07/2001	10	32	Library	Managing Library I	61	S
Carter,Charles M.	08/15/2001	28	257	SPU	Civil Engineering Supervisor	55	S,F
Dawson,Jocelyne	07/06/2001	27	229	Police	Administrative Support	54	C5
Day,Eugene E.	08/01/2001	19	248	City Light	Mechanical Engineer	57	C10,F
Kertson,Lisa	08/01/2001	20	72	City Light	Mgmt Systems Analyst Sr	52	S,F
Matthiesen,Edward	07/18/2001	27	5	SPU	Environmental Field Spec	62	E,G-50
Purnell,Carolyn	08/16/2001	0	349	Dual Member	Vested	62	E
Rodda,William Jr.	08/04/2001	31	282	SPU	Engineering Aide	58	E,F,G-100
Smith,Gary D.	07/24/2001	33	50	City Light	Cable Splicer	56	S
Smith,Joann	07/21/2001	15	90	Dual Member	Community Development	58	B
Takeshita,Hiroshi	07/25/2001	6	281	Seattle Center	Usher	72	S,G-100
Talbot,Judson	07/18/2001	33	28	SPU	Executive 2	60	E,F
Tenney,Cheryl D.	08/03/2001	27	269	City Light	Executive Assistant	53	C5,G-100
Wear,Sally Jo	07/10/2001	27	149	K.C. Health	Personal Health Svcs Super	60	E
Wood,Bonnie J.	07/18/2001	11	250	Personnel	Planning and Devel Spec II	64	S

Upon motion by Dwight Dively, seconded by Frank Mathews, the Retirement Board approved the service retirements listed above, pending final review.

Ratification of Investment Transactions and Statement of Securities and Cash:

Upon motion by Dwight Dively, seconded by Jim Fletcher, the Retirement Board approved the Investment Summary report.

Investment Committee Report:

It was announced that the Investment Committee is scheduled to meet at noon on Wednesday, September 26, 2001.

The Investment Committee and the Investment Advisory Committee met on August 29, 2001 with Wurts and Associates to review the investment performance for the second quarter of 2001. The Investment Committee interviewed the fixed income manager finalists on August 22, 2001 and had a follow-up meeting on August 29, 2001.

Norm reported on the domestic fixed income search and reviewed the recommendations of the Investment Committee, which are as follows: terminate our relationship with PIMCO, reduce the account managed by Pugh Capital to approximately \$20,000,000 from the approximately \$37,000,000 currently managed, hire MDL Capital to manage \$20,000,000, hire Reams Asset Management to manage \$100,000,000 and hire Western Asset Management to manage \$200,000,000.

Upon motion by Frank Mathews, seconded by Dwight Dively, the Retirement Board voted to approve the recommendation of the Investment Committee.

Searches are underway for large cap domestic and large cap international equity investment managers.

Executive Director Report:

The following summarizes the Executive Director's monthly report to the Board:

Norm reviewed a graph prepared by Milliman USA that projects future retirements. This information was requested by the City Aging in the Work Force Committee.

Norm commented to the Board that the office is in the process of gathering, reviewing and centralizing the various forms and form letters that are currently being used in communications with members.

Old Business:

(1) Status of Benefit Enhancements	(Old Business)
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There was no further discussion of this item.

New Business:

No items discussed.

Adjournment

Upon motion by Jan Drago, seconded by Dwight Dively, the Retirement Board voted to adjourn the meeting.

Norma McKinney, Secretary